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NEW US POLICY OPTIONS FOR SOUTH ASIA

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## SUMMARY

Since Pakistan and India gained independence in the late 1940s, US policies toward South Asia have shown little consistency. Washington rarely saw the region as important in its own right; rather, the US tended to treat it as a pawn in the superpower struggle. US strategies were often oriented on a fluctuating single interest, whether it be containment, human rights, humanitarian concerns, or nuclear proliferation. For most of the postwar period, the US favored Pakistan over India. Changing international circumstances--the demise of the Cold War, Soviet withdrawal from Afghanistan, alleviation of superpower rivalry in much of the Third World, and new democratic governments in India and Pakistan--have given the US a rare opportunity to restructure its strategy toward and relations with South Asia.

The thrust of US policy should be to emulate Soviet "new thinking" by improving ties with major regional states. If done discreetly, an enhanced US relationship with India--belated recognition of New Delhi's democratic traditions, industrial prowess, nonaligned leadership, and regional primacy--need not damage ties with Pakistan, might give the US leverage in abating Indo-Pakistani antagonisms, and could encourage Indian moderation in exercising its perceived prerogatives as the dominant regional power. India is the only country in the area with which the US can appropriately discuss larger strategic issues. It is also a good example for the Third World of the compatibility of economic growth and a vibrant democracy. Both India and Pakistan are already de facto members of the nuclear club. The US should openly accept this reality, remove its non-proliferation related penalties, and thus encourage both nations to sign the Non-Proliferation Treaty and accept international nuclear safeguards.

## ISSUE DEFINITION

Since Pakistan and India gained independence in the late 1940s, US policies toward South Asia have oscillated between neglect and intense partisan engagement. US administrations have tended to view the two largest South Asian nations more as pawns in the postwar global version of the "Great Game" between the superpowers than as entities worthy of US interests and involvement in their own right. For a variety of reasons discussed below, the US has favored Pakistan over India. However, late in his first term, President Reagan mandated a number of positive diplomatic and economic moves toward India that began to give US policy in the region better balance. President Bush has continued these initiatives. With the demise of the Cold War, the withdrawal of Soviet forces from Afghanistan, and the lessening of Soviet interest in the Third World as an East-West battleground, the US has a lot of rethinking to do. Should the US relegate South Asia again to the foreign policy back burner, continue to tilt toward Pakistan as its favored client, or balance its regional policy by seeking greater across-the-board contacts with India?

## BACKGROUND AND ANALYSIS

### **South Asia: Grinding Poverty, The Bomb, and US Strategy**

South Asia is about as familiar to most Americans as the far side of the moon. As an acknowledged preserve of British influence through the 1940s, the US showed little interest in the region; indeed, not even US missionaries penetrated

the subcontinent to any extent. Even today, the popular American view of South Asia seems formed largely by images of Gunga Din, sacred cows, beturbaned Afghan freedom fighters, teeming masses of humanity, wretched despair, endemic disease, the Taj Mahal, and incomprehensible religions. Few know that nearly one quarter of the human race lives there, that the region includes the world's largest democracy and one of Washington's longstanding Third World allies, that world-class scientific and engineering research are done there, that most of the West's and Japan's oil traverses Indian Ocean trade routes, that the Indian Army is the world's third largest, and that the potential for nuclear conflict is greater than anywhere else in the world.

While postwar US involvement in South Asia has been framed primarily by the desire to contain communism and remove Soviet and Chinese influence, Washington has had other interests as well, including:

- regional stability
- regional cooperation
- humanitarian concerns
- maintaining a military presence in the Indian Ocean, including facilities
- inculcation of "Western values"
- maintaining the flow of oil.

These latter aims have generally taken a back seat, however, to global US concerns. In the early contest between the attraction of India's democratic values and Pakistan's geopolitical position, Pakistan won out. Like Stalin, Secretary of State John Foster Dulles viewed the postwar struggle in Manichean terms, giving short shrift to Nehru's espousal of nonalignment. Pakistan,

mindful of its painful birth and fearing the designs of its larger neighbor, was more than willing to accept a superpower mentor that would also arm it. Through membership in CENTO AND SEATO, Pakistan and neighboring Iran became linchpins in the US system of interlocking alliances. However, even as India became estranged from the US and sought arms-length solace in better relations with Moscow, Pakistan eventually began to view the US as an unreliable partner whose ties reflected the vagaries of the superpower competition and Congressional involvement in foreign affairs.

All the countries of South Asia believe US policies over the years have been excessively oriented on a fluctuating single interest, whether it be containment, human rights, humanitarian concerns, or nuclear proliferation. They also know that only Sub-Saharan Africa falls below South Asia in the hierarchy of US regional apathy. The intense activities of the 80s that brought the US more heavily into the region--the invasion of Afghanistan, the fall of the Shah, Soviet military activity in the Indian Ocean--have abated, and with them US interests. For varying reasons, however, all regional countries want greater US involvement in the 90s. The US must decide whether the Indo-Pakistani rivalry makes such involvement a continuing no-win situation, or whether a new US regional strategy could indeed be a building block of the still-undefined "new world order."

#### **Pakistan and the US: Occasional Allies**

Pakistan perceives itself as caught in a persistent dilemma: it can afford neither war nor peace with India. Although it aspires to an equal role with New

Delhi in the region. Pakistan's forces, with their hodgepodge of obsolescent equipment from several suppliers, would be soundly defeated in any new full-scale clash with the numerically superior and better armed Indians. Peace with India, on the other hand, would bring its own form of second-class status, according to Pakistanis. Their country would be swamped by Indian manufactured goods; India's superior schools might siphon off the best students; New Delhi's greater international weight would militate against Pakistani foreign policy autonomy; and India's cultural, publishing, and entertainment institutions would dilute Pakistan's national character. The latter is tenuous enough as it is, as evidenced by continuing nationalist movements in the Northwest Frontier Province and Baluchistan and the ease with which East Pakistan was stripped away in 1971. Hence, Pakistan has sought protection through alliances with the US and China.

Pakistan's birth and development have many parallels with Israel. Both arose out of the crumbling of the British empire and in the midst of an unfriendly indigenous population. Both have spent huge sums on their military to protect them against hostile neighbors. Both sought the assistance of outside powers. Both have fractious domestic politics into which religion intrudes to varying degrees. There are some major differences, however. Pakistan has no unifying ideology except Islam, whose place in the national psyche is still being debated. The Pakistani army, unlike the Israeli, has been involved in politics since the country's inception. Finally, Israel's superpower patron has accepted the role of guaranteeing Israel's existence. In contrast, the US used its ties with Pakistan to bolster containment, not to defend Pakistan against India.

Since the 1950s, the US and Pakistan have allowed each other to use the

quasi-alliance for its own purposes, although Islamabad felt that it was often shortchanged. The outbreak of the 1965 war with India, fought largely over Kashmir, caused Britain and the US to impose an arms embargo on both sides. This began a 15-year estrangement between Washington and Islamabad, while Moscow's stock went up in the Third World when it arranged an armistice. India turned to the USSR for its arms, while Pakistan's equipment gap was filled by China. US arms again came in limited amounts in 1975, partly as an inducement to persuade Pakistan to derail its nuclear processing/power/weapons program. The Nixon Doctrine of the early 70s also seemed to reinforce Pakistani fears of a tilt by Washington toward New Delhi.

The 1979 Soviet invasion of Afghanistan put Pakistan back into the forefront of US strategic calculations. Pakistan gave sanctuary to the Mujahideen; sheltered over three million Afghan refugees; withstood cross-border air attacks and terror bombings by the KGB-trained Afghan secret police; and successfully negotiated in Geneva for a Soviet pullout. While India equivocated, Pakistan held firm. Pakistan paid a high price, but was rewarded with economic support from Islamic countries and aid packages from the US totaling over \$7 billion between 1982 and 1991. The US was able to overlook martial law under General Zia, outbreaks of anti-Americanism, and even the death of the US ambassador along with Zia in 1988 as long as Pakistan fulfilled larger US purposes. The relationship was given new impetus by the election of the US-and British-educated Benazir Bhutto. Despite its tenuous hold on democracy, its ongoing nuclear program, and the receding Soviet threat, Pakistan has sunk some deep roots among US policymakers that it hopes to sustain.

## US-Indian Relations: Mutual Suspicion and Respect

Despite sharing many political and social values, relations between India and the US have been burdened with myth and misunderstanding. Indians feel slighted that the US has not appreciated that, despite India's incredible ethnic and political diversity, it has been able to nurture popular democracy and rapid economic development at the same time--a unique phenomenon in the Third World. They resented US refusal to recognize their rights to primacy and leadership on the subcontinent despite enormous advantages in population, land, resources, and industrial capacity. In contrast, the US has often viewed Indian pretensions to quasi-superpower status as hollow until its gets its own house in order, especially regarding the welfare of its people.

The US also derided India's inability to see the danger that the USSR could pose to the region. Many in the US believed that India seemed to enjoy sticking its nose into issues beyond its purview, but which affected the US. The US saw its ties to Pakistan as having an anti-Soviet focus, while New Delhi believed they were also aimed against India. The opening of US contacts with China and an increase of US forces in the Indian Ocean in the 70s and early 80s did not help matters. The basic problem was that both countries wanted more from each other than they were willing to deliver--a classic case of mutually unrequited high expectations.

The US has not ignored India: over \$11 billion in development aid was extended between 1947 and 1988. Fulbright scholarships for Indian and US students abounded, many US corporations set up shop, and the US had a major hand

in India's "green revolution" that has led to self-sufficiency in food. However, US reluctance to underwrite Indian state control of heavy industrialization led to the cancellation of US help in the 50s to build the Bokaro steel mill--a contract the Soviets willingly picked up and completed. Despite minor hopeful signs--Kissinger's admission of certain Indian prerogatives in South Asia in the early 70s, the muted US response to India's explosion of a nuclear device in 1974, and the election of the pro-American Janata government in the late 70s--relations continued to slip and bottomed out with India's tepid response to the Soviet invasion of Afghanistan.

It is remarkable that a conservative US administration, in the midst of increasing US military aid to Pakistan and confronting the USSR in several venues, would begin to comprehend the potential strategic value of India in a new light and put out feelers for accommodation. Between 1982 and 1988, Reagan met twice with Indira Gandhi and twice with her son and successor Rajiv. Technology transfer restrictions have eased, trade has increased, and scientific cooperation is on the upswing. The US is now India's second largest trading partner, after the USSR. India was able to buy a ring laser gyroscope and General Electric engine technology for its Light Combat Aircraft program and a Cray supercomputer for weather forecasting. These manifestations of increased US interest were a belated recognition that Indian technological, political, military, and economic dominance in South Asia conceivably could hold some advantages for the US, especially after the cooling of Sino-US ties as a result of the Tienanmen massacre. Evincing concerns over the Sino-Soviet rapprochement, India seems more willing now to entertain US overtures.

India will be wary of loosening its Soviet ties too rapidly, if at all. The 1971 treaty of friendship and cooperation will probably be modified but renewed this year. Moscow has been a steadfast supporter for 30 years and, in New Delhi's view, never tried to thwart India's regional aspirations. While India's armed forces are largely Soviet-equipped--including with Indian-coproduced items like T-72 tanks, BMP infantry fighting vehicles, and MiG-21 fighters--Indian officers have indicated dissatisfaction with their Soviet connection. New Delhi has also seen signs that the US is less willing to meddle in India's perceived role-Pakistan excepted--of a responsible South Asian gendarme. For example, the US did not object when India derailed a Chinese arms deal with Nepal or when Indian forces landed in Sri Lanka as a peacekeeping force or foiled a 1988 coup attempt in the Maldives. It applauded the recent Indo-Pakistani agreement not to attack or damage each other's nuclear facilities. While the US continues to view with disfavor New Delhi's long-held espousal of an Indian Ocean Zone of Peace that would effectively exclude the navies of non-littoral nations, it has not been nearly as concerned as India's neighbors over the development of the Indian Navy's nascent power projection capability. As an Indian admiral noted, "A world that has lived with the superpowers and later with China should be able to coexist with a big India."

#### RECOMMENDATIONS

With the alleviation of superpower rivalry in the Third World and new democratic governments in India and Pakistan apparently committed to dialogue, the US has a rare window of opportunity to restructure its relations with South Asia. Rather than pushing the region to the back burner again, the primary

thrust of future US policy should be to emulate recent Soviet "new thinking" by significantly improving ties with major "regional influentials." If done judiciously, an enhanced US relationship with India--a belated recognition of New Delhi's democratic traditions, industrial prowess and potential, nonaligned leadership, and regional primacy--need not damage ties with Pakistan, might give the US some leverage in abating Indo-Pakistani antagonisms, and could encourage Indian moderation in exercising its perceived prerogatives as the dominant regional power.

India deserves better treatment by the US. While the US manifests humanitarian and development concerns throughout South Asia, only with India can it appropriately discuss larger strategic issues. India is a good--and rare--example for the Third World of the compatibility of economic growth and a vibrant democracy. India has misread US policy enunciated by five Presidents since World War II that a strong and stable India is in US interests, partly because US actions often did not reinforce policy statements. India should be told discreetly that closer ties to the US will not necessitate cutting back contacts with the USSR, and that the US intends to be a steady, albeit low-key partner supporting moderate, mature Indian regional leadership. Although the US cannot erase the military power disparity between India and Pakistan--even though Islamabad spends twice as much of its gross domestic product on defense--and it should not offer a security guarantee to Pakistan, Washington can act as an honest broker in the region if requested.

US advocacy of nuclear non-proliferation in the region, with its annual certifications to Congress of non-possession (a purported requirement for

continued US aid) is a non-starter. The US cannot turn back the nuclear clock. India is known to have sufficient plutonium for up to 50 weapons as well as aircraft and missile delivery systems. Pakistan is, at a minimum, on the nuclear threshold. Washington has already demonstrated its ability to wink at Pakistan's nuclear progress when it needed to court Islamabad after the invasion of Afghanistan. Pakistan should understand that much of India's nuclear program is driven by fear of China and that India will likely always maintain a significant nuclear lead. The US should publicly admit both nations to the nuclear club with no recriminations. This action would encourage them to sign the Nuclear Non-Proliferation Treaty and accept International Atomic Energy Agency safeguards. The US, possibly in conjunction with the USSR, could help both nations build on the 1988 Gandhi-Bhutto pledge to refrain from attacking nuclear facilities by requesting that continued nuclear weapons progress be kept at the research level. Signature of a START I agreement in the next several months would set a good example.

This plan has several advantages for the US over a continuation of recent policies:

- First and foremost, it would capitalize on the longstanding Indian desire to be liked, noticed, and treated as an equal by the US. New Delhi's recognition that Washington intends to put it on the same level as senior allies like Japan and the NATO nations would heighten India's sense of responsibility and maturity of action toward its neighbors.
- It would put US policy toward the whole region on a more even keel.
- Its more realistic nuclear recommendations might imbue India and Pakistan with a greater reluctance to continue the competition.

-It would open up business opportunities for US companies, which would blend with current policy of encouraging investment in the Third World as a means of aiding development.

Although this long-range blueprint should measurably improve US standing in a region where it has general interests but few deep geopolitical concerns, the plan has its share of potential pitfalls:

-Other regional nations may believe that US policy is to favor India to their detriment. They may actively seek other powerful patrons, especially China or the USSR.

-Making Pakistan understand that it is still an important US partner will be difficult, necessitating a continuing high level of US aid.

-Alienation of Pakistan may drive it closer to Afghanistan and Iran and be viewed by the Arab world--especially in the Gulf, where thousands of Pakistanis work--as US discrimination against Islam.

-India may take US friendship and historical example a step too far and proclaim, or at least attempt to practice, a Monroe Doctrine for the Indian Ocean.

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